



## TOWN OF ARCHER LODGE

14094 Buffalo Road  
Archer Lodge, NC 27527  
Main: 919-359-9727  
Fax: 919-359-3333

**Mayor:**

Matthew B. Mulhollem

**Council Members:**

Clyde B. Castleberry

**Mayor Pro Tem**

Teresa M. Bruton

John T. Buzzelli

J. Mark Jackson

Mark B. Wilson

### Annual Budget Message 2025-2026 Fiscal Year Budget

To: Honorable Mayor and Members of the Archer Lodge Town Council  
Archer Lodge, North Carolina

From: Bryan R. Chadwick, Budget Officer/Town Administrator

Date: May 19, 2025

Archer Lodge continues to experience rapid growth. Its sixteen-year history has challenged and continues to challenge Town Council in meeting the needs of the Town and incorporating the direction it needs to go.

The Parks and Recreation Department continue to provide exciting opportunities and wonderful facilities for citizens and visitors to the Town. Programs across all spectrums have been introduced for young and old alike. The Planning and Zoning Department has been extremely busy engaging with developers and property owners for new uses for properties throughout Town. This is only proof that people are coming to Archer Lodge and will continue to come.

Following this budget message for your review and consideration, you will find the proposed Annual Budget for fiscal year 2025-2026 for the Town of Archer Lodge in the amount of **\$4,120,700**. This amount includes considerations for the following funds:

- 1) General Fund,
- 2) Capital Reserve Fund,
- 3) Park Reserve Fund, and
- 4) Public Safety Reserve Fund.

Following numerous Budget Planning Sessions/Discussions starting last fall, Ms. Batten, Assistant Town Administrator/Finance Officer, along with myself, examined comments and notations mentioned during this budgeting process. This approach for our budget workshops assisted the Town Council and staff in understanding the budget, the budget worksheets, and how numbers are compiled. It also provided many discussions for each department regarding changes and other considerations. These meetings were sometimes difficult and raw but necessary to move the discussion forward for results.

Johnston County Tax Administration conducted a revaluation of properties over the past year. Final values are still being compiled including the Fire District Tax. You will remember that we have utilized fund balance over the past two years to balance the budget. This was highlighted by our auditor of not being sustainable and being below a recommended threshold.

After speaking with most council members individually concerning this and discussing a path forward, I recommend maintaining the tax rate at \$0.32/\$100. This is recognizing that the revenue neutral tax rate is \$0.1918/\$100.

Following several drafts, meetings, and conversations, I feel certain that my proposed budget best represents the current suggestions from the Town Council and the current needs for the citizens of the Town of Archer Lodge.

The tables below present an overview of projected revenues and anticipated expenditures for the four funds for fiscal year ending June 30, 2026.

The following tables represent the **General Fund 10**:

<b>General Fund 10 Expenditures:</b>	<b>Proposed Anticipated Expenditures (FY 2025-2026)</b>
General Government	\$ 840,100.00
Public Safety	\$ 1,308,300.00
Transportation	\$ 28,600.00
Economic & Physical Development (P/Z)	\$ 251,230.00
Cultural and Recreation	\$ 561,600.00
Debt Service	\$ 136,350.00
Capital Outlay	\$ -
Transfer To Other Funds	\$ 406,520.00
<b>Total Estimated/Appropriated</b>	<b>\$ 3,532,700.00</b>

<b>General Fund 10 Revenue Sources:</b>	<b>Proposed Projected Revenues (FY 2025-2026)</b>
Ad Valorem Taxes	\$ 2,208,000.00
Unrestricted Intergovernmental	\$ 648,500.00
Restricted Intergovernmental	\$ 82,200.00
Permits and Fees	\$ 59,500.00
Parks & Recreation Fees/Rentals	\$ 90,000.00
Investment Earnings	\$ 40,000.00
Miscellaneous	\$ 5,500.00
Transfer From Other Funds	\$ 399,000.00
Fund Balance Appropriated	\$ -
<b>Total Revenues / Estimated Resources</b>	<b>\$ 3,532,700.00</b>

#### **QUICK POINTS OF THE GENERAL FUND:**

- Reinstated Annual Transfer of \$50,000 to Capital Reserve Fund and Public Safety Reserve Fund
- Property/Liability Insurance increases based on property additions and new appraised values
- Worker's Comp Insurance increases based on increased human capital
- Current Staff:
  - ✓ 2% Reduction in Employer's 401K contribution (8% to 6%)
  - ✓ 2% Increase Adjustment in FT Employee's salary due to offset of 401K
  - ✓ Up to 2% Merit Increase based on Annual Performance Evaluation
- Law Enforcement Consideration = 7 days a week / 12 daylight hours a day
- Contracted Services and Utilities in Public Buildings increased for Town Park Facilities and ALCC Facilities being managed
- Professional Fees – Design/Engineering Services, Auditing, and Legal
- Contracted Services for Needed Website Upgrade
- Parks & Rec Department – Lease Reel mower
- Completion of Land Use Plan Update - Contract work by CodeWright Planners
- Public Safety Department represents 37% of budget

The following table represents the **Capital Reserve Fund 30:**

<b>Capital Reserve Fund 30:</b>	<b>Proposed Estimates (FY 2025-2026)</b>
Investment Earnings	\$ 1,000.00
Transfer from General Fund 10	\$ 50,000.00
Transfer to Fund Balance	\$ (51,000.00)
<b>Revenue Totals = Expenditure Totals</b>	<b>\$ -</b>

**QUICK POINTS OF THE CAPITAL RESERVE FUND:**

- Reinstated Annual Transfer of \$50,000
- Investment earnings received will be transferred to fund balance

The following table below represents the **Park Reserve Fund 31:**

<b>Park Reserve Fund 31:</b>	<b>Proposed Estimates (FY 2025-2026)</b>
Investment Earnings	\$ 2,000.00
Transfer from General Fund 10	\$ 190,000.00
Transfer to General Fund 10	\$ (54,000.00)
Transfer to Fund Balance	\$ (138,000.00)
<b>Revenue Totals = Expenditure Totals</b>	<b>\$ -</b>

**QUICK POINTS OF THE PARK RESERVE FUND:**

- Transfer from General Fund consists of:
  - Two Cents Property Taxes Estimate = \$135,750
  - Fee in Lieu of Rec – 36 Lots @ \$1,500 = \$ 54,000
- Transfer to General Fund – Loan Payment on Park Land \$54,000

The following table represents the **Public Safety Reserve Fund 32:**

<b>Public Safety Reserve Fund 32:</b>	<b>Proposed Estimates (FY 2025-2026)</b>
Investment Earnings	\$ 12,000.00
Transfer from General Fund 10	\$ 50,000.00
Fund Balance Appropriated	\$ 283,000.00
Transfer to General Fund 10	\$ (345,000.00)
<b>Revenue Totals = Expenditure Totals</b>	<b>\$ -</b>

**QUICK POINTS OF THE PUBLIC SAFETY RESERVE FUND:**

- Reinstall Annual Transfer of \$50,000
- Utilize Public Safety Reserve Funds for the General Fund Public Safety / Law Enforcement Consideration = 7 days a week /12 daylight hours a day

The following table summarizes the **Proposed Annual Budget for Fiscal Year Ending June 30, 2026:**

<b>Total Proposed Annual Budget for All Funds (FY 2025-2026)</b>	<b>Total Proposed Estimated Revenues for All Funds</b>	<b>Total Proposed Estimated Expenditures for All Funds</b>
<b>Revenue Totals = Expenditure Totals</b>	<b>\$ 4,120,700.00</b>	<b>\$ 4,120,700.00</b>

Below you'll find a table that represents the Ad Valorem Tax Revenues projected in the budget, however a conservative figure of \$2,205,000 is recommended.

<b>Date</b>	<b>Type</b>	<b>Net Assessed Value</b>	<b>Provided By</b>	<b>Levy \$0.32 / \$100</b>
12/31/2024	Motor Vehicles	\$ 67,417,216	Jo Co Tax Office	\$ 215,735
08/29/2024	Public Service Companies	\$ 5,896,439	NC Dept of Rev	\$ 18,868
05/02/2025	Real and Personal Property	\$ 622,837,408	Jo Co Tax Office	\$ 1,993,080
<b>07/01/2025</b>	<b>TOTAL</b>	<b>\$ 696,151,063</b>		<b>\$ 2,227,683</b>
<b>PROPOSED</b>	<b>AD VALOREM</b>	<b>TAXES</b>	<b>CONSERVATIVE</b>	<b>\$ 2,205,000</b>

The final table is the Town's **Debt Service**:

<b>LOAN</b>	<b>LENDER</b>	<b>BALANCE BEFORE PAYMENT</b>	<b>PAYMENT DUE</b>	<b>FY 25-26</b>	<b>BALANCE AFTER PAYMENT</b>
Town Hall	Truist Gov't	\$ 66,667	03/22/26	\$ 35,607	\$ 33,333
Park Loan	M/M G. Smith	\$ 100,000	08/20/25	\$ 54,000	\$ 50,000
Town Hall Expansion	KS Bank	\$ 243,000	09/10/25	\$ 35,189	\$ 216,000
<b>TOTAL</b>		<b>\$ 409,667</b>		<b>\$ 124,796</b>	<b>\$ 299,333</b>

The proposed budget for fiscal year ending June 30, 2026 shows an increase of \$860,745 over the current year's amended budget of \$3,259,955 as shown below:

<b>Current Year (FY 2024-2025) Revenues as Amended</b>	<b>Proposed Projected Revenues (FY 2025-2026)</b>
<b>\$ 3,259,955</b>	<b>\$ 4,120,700</b>

This is a "no frills" budget. Considerations were removed to reduce the overall budget and those items remaining help continue to meet the essential services for the citizens yet demonstrate fiscal constraint. Even with the reduced list, there are continued recurring costs that are being funded and will continue in all fiscal years.

Unfortunately for our citizens, there are no new programs, services or projects planned. This budget is only for the continuation of current programs, current services and the costs to maintain them.

The Town Council will need to consider plans and provide guidance to staff in future years and for future functions. These coming years will have continued population growth requiring services and programs demanded by the public. What has been produced from the efforts of previous councils and citizens has been extremely successful, so I challenge you to "step up to the plate" and follow in their footsteps because your next steps will be very important to the viability of the Town.

As you've learned and witnessed, being a municipality is not an easy endeavor, and sometimes tough discussions and decisions are required by the Town Council in order to meet the needs of the entire population of Archer Lodge. A large portion of the citizens chose to make Archer Lodge their home for some reason, so the town must be operating pretty well since the 2009 incorporation.

The town is no longer “crawling,” “toddling,” “walking;” the town is in fact “running” but not at a fast pace. One day on the horizon, the town will be “sprinting,” so as elected officials, your time is now to **PLAN** and **CONTINUE** in the forward direction set forth by others with a positive frame of mind for your municipality and for the citizens.

Additional items needing to be considered for the future growth are:

- Countywide fire district cost share program,
- Code enforcement,
- Additional human capital in the Parks & Recreation Department,
- Pickle ball courts in phase 2 of the town park,
- Parks & Recreation Department office building with additional features for indoor activities and additional rental spaces,
- Additional services for citizens

The Town has been fortunate to have great partners in the area, which has helped tremendously while the Town develops its own path.

In closing, many thanks to our Assistant Town Administrator/Finance Officer for her work on this budget. I also want to thank the staff for their time during this budget process. Every member of staff continues to be dedicated to the Town of Archer Lodge and committed to completing the work the citizens and Town Council have set forth.

I especially want to thank the Town Council for engaging in this process because your input and guidance were considered in developing this recommended budget.

Archer Lodge continues to be a shining example of community and will continue to be a great place to be in Johnston County.

Respectfully submitted,

Bryan R. Chadwick  
Budget Officer/Town Administrator